



6560-50-P

ENVIRONMENTAL PROTECTION AGENCY

40 CFR Part 52

[EPA-R04-OAR-2012-0814; FRL-9797-4]

Approval and Promulgation of Implementation Plans; Florida; Prong 3 of Section 110(a)(2)(D)(i) Infrastructure Requirement for the 1997 and 2006 Fine Particulate Matter National Ambient Air Quality Standards

AGENCY: Environmental Protection Agency (EPA).

ACTION: Final rule.

SUMMARY: EPA is taking final action to approve in part, and disapprove in part, the State Implementation Plan (SIP) submissions, submitted by the State of Florida, through the Florida Department of Environmental Protection (FDEP) on April 18, 2008, and September 23, 2009. This final action addresses the Clean Air Act (CAA or Act) requirements pertaining to prevention of significant deterioration (PSD) for the 1997 annual and 2006 24-hour fine particulate matter (PM_{2.5}) National Ambient Air Quality Standards (NAAQS) infrastructure SIPs. The CAA requires that each state adopt and submit a SIP for the implementation, maintenance, and enforcement of each NAAQS promulgated by EPA, which is commonly referred to as an “infrastructure” SIP. EPA is approving in part, and disapproving in part, the submission for Florida that relates to adequate provisions prohibiting emissions that interfere with any other state’s required measures to prevent significant deterioration of its air quality. All other applicable infrastructure requirements for the 1997 annual and 2006 24-hour PM_{2.5} NAAQS associated with Florida have been addressed in separate rulemakings.

EFFECTIVE DATE: This rule will be effective [insert 30 days after date of publication in the Federal Register].

ADDRESSES: EPA has established a docket for this action under Docket Identification No. EPA-R04-OAR-2012-0814. All documents in the docket are listed on the www.regulations.gov web site. Although listed in the index, some information is not publicly available, i.e., Confidential Business Information or other information whose disclosure is restricted by statute. Certain other material, such as copyrighted material, is not placed on the Internet and will be publicly available only in hard copy form. Publicly available docket materials are available either electronically through www.regulations.gov or in hard copy at the Regulatory Development Section, Air Planning Branch, Air, Pesticides and Toxics Management Division, U.S. Environmental Protection Agency, Region 4, 61 Forsyth Street, SW, Atlanta, Georgia 30303-8960. EPA requests that if at all possible, you contact the person listed in the **FOR FURTHER INFORMATION CONTACT** section to schedule your inspection. The Regional Office's official hours of business are Monday through Friday, 8:30 to 4:30 excluding federal holidays.

FOR FURTHER INFORMATION CONTACT: Sean Lakeman, Regulatory Development Section, Air Planning Branch, Air, Pesticides and Toxics Management Division, U.S. Environmental Protection Agency, Region 4, 61 Forsyth Street, SW, Atlanta, Georgia 30303-8960. The telephone number is (404) 562-9043. Mr. Lakeman can be reached via electronic mail at lakeman.sean@epa.gov.

SUPPLEMENTARY INFORMATION:

Table of Contents

I. Background

II. This Action

III. Final Action

IV. Statutory and Executive Order Reviews

I. Background

Upon promulgation of a new or revised NAAQS, sections 110(a)(1) and (2) of the CAA require states to address basic SIP requirements, including emissions inventories, monitoring, and modeling to assure attainment and maintenance for that new NAAQS. On July 18, 1997 (62 FR 38652), EPA promulgated a new annual PM_{2.5} NAAQS and on October 17, 2006 (71 FR 61144), EPA promulgated a new 24-hour NAAQS. On December 5, 2012, EPA proposed to approve in part, and disapprove in part, Florida's submission addressing section 110(a)(2)(D)(i)(II) related to PSD. A summary of the background for today's final action is provided below. See EPA's December 5, 2012, proposed rulemaking (77 FR 72287) for more detail.

Section 110(a) of the CAA requires states to submit SIPs to provide for the implementation, maintenance, and enforcement of a new or revised NAAQS within three years following the promulgation of such NAAQS, or within such shorter period as EPA may prescribe. Section 110(a) imposes the obligation upon states to make a SIP submission to EPA

for a new or revised NAAQS, but the contents of that submission may vary depending upon the facts and circumstances. The data and analytical tools available at the time the state develops and submits the SIP for a new or revised NAAQS affects the content of the submission. The contents of such SIP submissions may also vary depending upon what provisions the state's existing SIP already contains. In the case of the 1997 annual and 2006 24-hour PM_{2.5} NAAQS, states typically have met the basic program elements required in section 110(a)(2) through earlier SIP submissions in connection with previous PM NAAQS.

More specifically, section 110(a)(1) provides the procedural and timing requirements for SIPs. Section 110(a)(2) lists specific elements that states must meet for “infrastructure” SIP requirements related to a newly established or revised NAAQS. As already mentioned, these requirements include SIP infrastructure elements such as modeling, monitoring, and emissions inventories that are designed to assure attainment and maintenance of the NAAQS. However, in this action, EPA is only addressing element 110(a)(2)(D)(i)(II) related to PSD.

Section 110(a)(2)(D) has two components; 110(a)(2)(D)(i) and 110(a)(2)(D)(ii). Section 110(a)(2)(D)(i) includes four distinct components, commonly referred to as “prongs,” that must be addressed in SIP submissions. The first two prongs, which are codified in section 110(a)(2)(D)(i)(I), are provisions that prohibit any source or other type of emissions activity in one state from contributing significantly to nonattainment of the NAAQS in another state (“prong 1”), and interfering with maintenance of the NAAQS in another state (“prong 2”). The third and fourth prongs, which are codified in section 110(a)(2)(D)(i)(II), are provisions that prohibit emissions activity in one state interfering with measures required to prevent significant deterioration of air quality in another state (“prong 3”), or to protect visibility in another state

(“prong 4”). Section 110(a)(2)(D)(ii) requires SIPs to include provisions insuring compliance with sections 115 and 126 of the Act, relating to interstate and international pollution abatement.

In previous actions, EPA has already taken action to address Florida’s SIP submissions related to sections 110(a)(2)(D)(i)(I) and 110(a)(2)(D)(ii) for the 1997 annual and 2006 24-hour PM_{2.5} NAAQS. Today’s final rulemaking action relates only to requirements related to prong 3 of section 110(a)(2)(D)(i), which as previously described, requires that the SIP contain adequate provisions prohibiting emissions that interfere with any other state’s required measures to prevent significant deterioration of its air quality.

II. This Action

EPA is taking final action to approve in part, and disapprove in part Florida’s infrastructure submissions as demonstrating that the State meets the applicable requirements of prong 3 of section 110(a)(2)(D)(i) of the CAA, that relate to adequate provisions prohibiting emissions that interfere with any other state’s required measures to prevent significant deterioration of its air quality for the 1997 annual and 2006 24-hour PM_{2.5} NAAQS. Section 110(a) of the CAA requires that each state adopt and submit a SIP for the implementation, maintenance, and enforcement of each NAAQS promulgated by the EPA, which is commonly referred to as an “infrastructure” SIP.

On December 5, 2012, EPA proposed to approve in part, and disapprove in part, Florida’s April 18, 2008, and September 23, 2009, infrastructure submissions for the 1997 annual and 2006 24-hour PM_{2.5} NAAQS, addressing prong 3 of section 110(a)(2)(D)(i). At present, there are four regulations that are required to be adopted into the SIP to meet the PSD-related

infrastructure requirements. Of these four regulations EPA has approved the following three into the Florida SIP.

1. EPA's approval of Florida's PSD/New Source Review (NSR) regulations which address the Ozone Implementation NSR Update requirements was published in the Federal Register on June 15, 2012 (77 FR 35862).
2. EPA's approval of Florida's NSR PM_{2.5} Rule was published in the Federal Register on September 19, 2012 (77 FR 58027).
3. EPA's approval of Florida's PSD/PM_{2.5} approving PM_{2.5} increments was published in the Federal Register on September 19, 2012 (77 FR 58027).

These three approval actions demonstrate that Florida's SIP-approved PSD program meets three of the four required regulatory elements necessary to satisfy prong 3 of section 110(a)(2)(D)(i). See EPA's December 5, 2012, proposed rule (77 FR 72287) for more detail.

With respect to the fourth necessary PSD regulatory element - the Greenhouse Gas (GHG) Tailoring Rule - Florida did not submit a SIP revision to adopt the appropriate emission thresholds for determining which new stationary sources and modification projects become subject to PSD permitting requirements for their GHG emissions as promulgated in the GHG Tailoring Rule. Therefore, Florida's federally-approved SIP contained errors that resulted in its failure to address, or provide adequate legal authority for, the implementation of a GHG PSD program in Florida. In the GHG SIP Call,¹ EPA determined that the State of Florida's SIP was substantially inadequate to achieve CAA requirements because its existing PSD program does

¹ "Action to Ensure Authority to Issue Permits Under the Prevention of Significant Deterioration Program to Sources of Greenhouse Gas Emissions: Finding of Substantial Inadequacy and SIP Call, Final Rule" 75 FR 77698 (December 13, 2010).

not apply to GHG-emitting sources. This rule finalized a SIP call for 15 state and local permitting authorities including Florida. EPA explained that if a state, identified in the SIP call, failed to submit the required corrective SIP revision by the applicable deadline, EPA would promulgate a Federal Implementation Plan (FIP) under CAA section 110(c)(1)(A) for that state to govern PSD permitting for GHG. On December 30, 2010, EPA promulgated a FIP² because Florida failed to submit, by its December 22, 2010, deadline, the corrective SIP revision to apply its PSD program to sources of GHG consistent with the thresholds described in the GHG Tailoring rule. The FIP ensured that a permitting authority (*i.e.*, EPA) would be available to issue preconstruction PSD permits to GHG-emitting sources in the State of Florida. EPA took these actions through interim final rulemaking, effective upon publication, to ensure the availability of a permitting authority – EPA – in Florida for GHG-emitting sources when those sources became subject to PSD on January 2, 2011.

The Florida SIP currently does not provide adequate legal authority to address the GHG PSD permitting requirements at or above the levels of emissions set forth in the GHG Tailoring Rule, or at other appropriate levels. As a result, EPA has determined that the Florida SIP does not satisfy a portion of prong 3 of section 110(a)(2)(D)(i) for the 1997 and 2006 PM_{2.5} infrastructure requirements. Therefore, EPA is disapproving FDEP's submission for prong 3 of section 110(a)(2)(D)(i) as it relates to GHG PSD permitting requirements. EPA's disapproval of this element does not result in any further obligation on the part of Florida, because EPA has already promulgated a FIP for the Florida PSD program to address permitting GHG at or above the GHG Tailoring Rule thresholds. *See* 76 FR 25178. Thus, today's final

² “Action to Ensure Authority to Issue Permits under the Prevention of Significant Deterioration Program to Sources of Greenhouse Gas Emissions: Federal Implementation Plan—Final Rule” 75 FR 82246 (December 30, 2010).

action to approve in part, and disapprove in part, FDEP's submission for prong 3 of section 110(a)(2)(D)(i), will not require any further action by either FDEP or EPA.

EPA received one comment on its December 5, 2012, proposed rulemaking. The Commenter wanted "to congratulate EPA workers for trying to decrease particles and increase the public's health." This comment does not appear to be related to the issues presented in the proposed rulemaking, and instead, appears related to a wholly separate topic - promulgation of the PM NAAQS. EPA does not interpret this comment as relevant to the topic of EPA's December 5, 2012, proposed action. Instead, EPA interprets this comment as being off-topic and outside of the scope of today's final rulemaking.

III. Final Action

As described above, EPA is approving in part, and disapproving in part, the SIP submission from Florida to incorporate provisions into the State's implementation plan to address prong 3 of section 110(a)(2)(D)(i) of the CAA for both the 1997 annual and 2006 24-hour PM_{2.5} NAAQS. Specifically, EPA is approving the State's prong 3 of section 110(a)(2)(D)(i) submissions as they relate to the "Phase II Rule," the "NSR PM_{2.5} Rule," and the "PM_{2.5} PSD Increment-SILs-SMC Rule (only as it relates to PM_{2.5} increments)" because they are consistent with section 110 of the CAA. EPA also is disapproving Florida's submissions for the portion of the section 110(a)(2)(D)(i) prong 3 requirements related to the regulation of GHG emissions for both the 1997 annual and 2006 24-hour PM_{2.5} NAAQS.

EPA notes that on September 19, 2012, the Agency approved the Significant Monitoring Concentration (SMC) portion of the PM_{2.5} PSD Increment-SILs-SMC Rule into the SIPs for Florida. *See* 77 FR 58027. Since that time, on January 22, 2013, the U.S. Court of Appeals for

the District of Columbia, in *Sierra Club v. EPA*, No. 10-1413, 2013 WL 216018 (Jan. 22, 2013), issued a judgment that, *inter alia*, vacated the provisions adding the PM_{2.5} SMC to the federal regulations, at 40 CFR 51.166(i)(5)(i)(c) and 52.21(i)(5)(i)(c), that were promulgated as part of the 2010 PM_{2.5} PSD Increment-SILs-SMC Rule. In its decision, the court held that EPA did not have the authority to use SMCs to exempt permit applicants from the statutory requirement in section 165(e)(2) of the CAA that ambient monitoring data for PM_{2.5} be included in all PSD permit applications. Thus, although the PM_{2.5} SMC was not a required element of a State's PSD program and thus not a structural requirement for purposes of infrastructure SIPs, were a SIP-approved PSD program that contains such a provision to use that provision to issue new permits without requiring ambient PM_{2.5} monitoring data, such application of the SIP would be inconsistent with the court's opinion and the requirements of section 165(e)(2) of the CAA.

Given the clarity of the court's decision, it would now be inappropriate for Florida to continue to allow applicants for any pending or future PSD permits to rely on the PM_{2.5} SMC in order to avoid compiling ambient monitoring data for PM_{2.5}. Because of the vacatur of EPA regulations, the SMC provisions, included in Florida's SIP-approved PSD programs on the basis of EPA's regulations are unlawful and no longer enforceable by law. Permits issued on the basis of these provisions as they appear in the approved SIP would be inconsistent with the CAA and difficult to defend in administrative and judicial challenges. Thus, the SIP provisions may not be applied even prior to their removal from the SIP. Florida should instead require applicants requesting a PSD permit, including those having already been applied for but for which the permit has not yet been received, to submit ambient PM_{2.5} monitoring data in accordance with the CAA requirements whenever either direct PM_{2.5} or any PM_{2.5} precursor is emitted in a

significant amount.³ As the previously-approved PM_{2.5} SMC provisions in the Florida SIP are no longer enforceable, EPA does not believe the existence of the provisions in the State's implementation plan precludes today's approval of the infrastructure SIP submissions as they relate to prong 3 of the 1997 annual and 2006 24-hour PM_{2.5}NAAQS.

EPA intends to initiate a rulemaking to correct SIPs that were approved with regard to the PM_{2.5} SMC prior to the court's decision. EPA also advises Florida to begin preparations to remove the PM_{2.5} provisions from its state PSD regulations and SIP. However, EPA has not yet set a deadline requiring states to take action to revise their existing PSD programs to address the court's decision.

EPA notes that on January 4, 2013, the U.S. Court of Appeals, in *Natural Resources Defense Council v. EPA*, No. 08-1250, 2013 WL 45653 (D.C. Cir., filed July 15, 2008) (consolidated with 09-1102, 11-1430), issued a judgment that remanded EPA's 2007 and 2008 rules implementing the 1997 PM_{2.5} NAAQS. The court ordered EPA to "repromulgate these rules pursuant to Subpart 4 consistent with this opinion." *Id.* at *8. Subpart 4 of Part D, Title 1 of the CAA establishes additional provisions for particulate matter nonattainment areas.

The 2008 implementation rule addressed by the court decision, "Implementation of New Source Review (NSR) Program for Particulate Matter Less Than 2.5 Micrometers (PM_{2.5})," 73 FR 28321 (May 16, 2008), promulgated NSR requirements for implementation of PM_{2.5} in both nonattainment areas (nonattainment NSR) and attainment/unclassifiable areas (PSD). As the

³ In lieu of the applicants' need to set out PM_{2.5} monitors to collect ambient data, applicants may submit PM_{2.5} ambient data collected from existing monitoring networks when the permitting authority deems such data to be representative of the air quality in the area of concern for the year preceding receipt of the application. EPA believes that applicants will generally be able to rely on existing representative monitoring data to satisfy the monitoring data requirement.

requirements of Subpart 4 only pertain to nonattainment areas, EPA does not consider the portions of the 2008 rule that address requirements for PM_{2.5} attainment and unclassifiable areas to be affected by the court's opinion. Moreover, EPA does not anticipate the need to revise any PSD requirements promulgated in the 2008 rule in order to comply with the court's decision. Accordingly, EPA's actions for the Florida infrastructure SIPs as related to element (D)(i)(II) with respect to the PSD requirements promulgated by the 2008 implementation rule does not conflict with the court's opinion.

The court's decision with respect to the nonattainment NSR requirements promulgated by the 2008 implementation rule also does not affect EPA's action on the present infrastructure action. EPA interprets the Act to exclude nonattainment area requirements, including requirements associated with a nonattainment NSR program, from infrastructure SIP submissions due 3 years after adoption or revision of a NAAQS. Instead, these elements are typically referred to as nonattainment SIP or attainment plan elements, which would be due by the dates statutorily prescribed under subpart 2 through 5 under part D, extending as far as 10 years following designations for some elements.

IV. Statutory and Executive Order Reviews

Under the CAA, the Administrator is required to approve a SIP submission that complies with the provisions of the Act and applicable federal regulations. 42 U.S.C. 7410(k); 40 CFR 52.02(a). Thus, in reviewing SIP submissions, EPA's role is to approve state choices, provided that they meet the criteria of the CAA. Accordingly, this action merely approves state law as meeting federal requirements and does not impose additional requirements beyond those imposed by state law. For that reason, this action:

- is not a “significant regulatory action” subject to review by the Office of Management and Budget under Executive Order 12866 (58 FR 51735, October 4, 1993);
- does not impose an information collection burden under the provisions of the Paperwork Reduction Act (44 U.S.C. 3501 *et seq.*);
- is certified as not having a significant economic impact on a substantial number of small entities under the Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*);
- does not contain any unfunded mandate or significantly or uniquely affect small governments, as described in the Unfunded Mandates Reform Act of 1995 (Public Law 104-4);
- does not have Federalism implications as specified in Executive Order 13132 (64 FR 43255, August 10, 1999);
- is not an economically significant regulatory action based on health or safety risks subject to Executive Order 13045 (62 FR 19885, April 23, 1997);
- is not a significant regulatory action subject to Executive Order 13211 (66 FR 28355, May 22, 2001);
- is not subject to requirements of Section 12(d) of the National Technology Transfer and Advancement Act of 1995 (15 U.S.C. 272 note) because application of those requirements would be inconsistent with the CAA; and
- does not provide EPA with the discretionary authority to address, as appropriate, disproportionate human health or environmental effects, using practicable and legally permissible methods, under Executive Order 12898 (59 FR 7629, February 16, 1994).

In addition, this rule does not have tribal implications as specified by Executive Order 13175 (65 FR 67249, November 9, 2000), because the SIP is not approved to apply in Indian country, and

EPA notes that it will not impose substantial direct costs on tribal governments or preempt tribal law.

The Congressional Review Act, 5 U.S.C. 801 *et seq.*, as added by the Small Business Regulatory Enforcement Fairness Act of 1996, generally provides that before a rule may take effect, the agency promulgating the rule must submit a rule report, which includes a copy of the rule, to each House of the Congress and to the Comptroller General of the United States. EPA will submit a report containing this action and other required information to the U.S. Senate, the U.S. House of Representatives, and the Comptroller General of the United States prior to publication of the rule in the Federal Register. A major rule cannot take effect until 60 days after it is published in the Federal Register. This action is not a “major rule” as defined by 5 U.S.C. 804(2).

Under section 307(b)(1) of the CAA, petitions for judicial review of this action must be filed in the United States Court of Appeals for the appropriate circuit by [FEDERAL REGISTER OFFICE: insert date 60 days from date of publication of this document in the Federal Register]. Filing a petition for reconsideration by the Administrator of this final rule does not affect the finality of this action for the purposes of judicial review nor does it extend the time within which a petition for judicial review may be filed, and shall not postpone the effectiveness of such rule or action. This action may not be challenged later in proceedings to enforce its requirements. *See* section 307(b)(2).

List of Subjects in 40 CFR Part 52

Environmental protection, Air pollution control, Incorporation by reference, Intergovernmental relations, Nitrogen dioxide, Particulate Matter, Reporting and recordkeeping requirements, Volatile organic compounds.

Dated: March 26, 2013.

A. Stanley Meiburg,

Acting Regional Administrator,

Region 4.

40 CFR part 52 is amended as follows:

PART 52-[AMENDED]

1. The authority citation for part 52 continues to read as follows:

Authority: 42 U.S.C. 7401 *et seq.*

Subpart K—Florida

2. Section 52.520(e) is amended by adding two new entries for “110(a)(1) and (2) Infrastructure Requirements for the 1997 Fine Particulate Matter National Ambient Air Quality Standards” and “110(a)(1) and (2) Infrastructure Requirements for the 2006 Fine Particulate Matter National Ambient Air Quality Standards” at the end of the table to read as follows:

§ 52.520 Identification of plan.

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(e) * * *

EPA-Approved Florida non-regulatory provisions

Provision	State effective date	EPA approval date	Federal Register notice	Explanation
**	**	*	*	*
110(a)(1) and (2) Infrastructure Requirements for 1997 Fine Particulate Matter National Ambient Air Quality Standards	4/18/2008	[Insert date of publication in <u>Federal Register</u>]	[Insert citation of publication]	EPA disapproved the State’s prong 3 of section 110(a)(2)(D)(i) as it relates to GHG PSD permitting requirements.

110(a)(1) and (2) Infrastructure Requirements for 2006 Fine Particulate Matter National Ambient Air Quality Standards	9/23/2009	[Insert date of publication in <u>Federal Register</u>]	[Insert citation of publication]	EPA disapproved the State's prong 3 of section 110(a)(2)(D)(i) as it relates to GHG PSD permitting requirements.
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[FR Doc. 2013-07654 Filed 04/02/2013 at 8:45 am; Publication Date: 04/03/2013]